## **REMARKS**

The acknowledgment of the claim for foreign priority under 35 U.S.C. §119 and the receipt of the priority document is noted with appreciation.

Minor amendments have been made to the specification to conform to the application to the arrangement of application elements as set forth in 37 C.F.R. §1.71 and to delete extraneous numerals and brackets in the various headings. No new matter has been added.

Claims 22 to 48 now appear in the application. Original claims 1 to 21 have been canceled and new claims 22 to 48 have been added by the amendment.

Claims 1 to 17 were rejected under 35 U.S.C. §102(e) as being anticipated by U.S. Patent Publication 2002/0100803 A1 to Sher, and claims 18 to 21 were rejected under 35 U.S.C. §103(a) as being unpatentable over Sher. It is believed that these rejections are now moot with the cancellation of claims 1 to 21; however, insofar as the rejections may be considered relevant to the new claims 22 to 48, the rejections are respectfully traversed for the reasons that Sher neither shows not suggests the claimed invention.

Sher discloses passport system which involves a plurality of passport service providers and portable passport devices for storing, processing, safeguarding, validating, and communicating a passport document, including passport data elements stored in the passport devices and the service provider databases, and for facilitating various passport application tasks. The passport devices are, for example, smart cards or pocket-sized computers, and have the ability to manipulate and exchange passport data and information between and among the passport devices and remote databases. Biometrics identification of passport-holders, as well as cryptographic validation of passport data and services, can be included in the passport devices and provided services, and verified upon presentation of the passport document for utilization. As noted in the second column of page 4 at lines 18–24:

"The services may comprise travel arrangements, such as reservations or cancellations and electronic ticketing or payments; transportation support, such as traffic management and capacity planning; and card-based marketing or sales promotions, such as loyalty and frequent traveling programs or other value-added benefits delivery schemes."

And in the second column on page 11, at lines 36 to 43, Sher states:

"The seat assignments stored in a particular card can nevertheless also be transferred into another passenger card without the need to communicate with the travel map or reservation desk per se: once transferred, the original seat assignments or initial reservation will be automatically cancelled in that particular card, so that no more than one valid ticket or room number will be in circulation."

However, what Sher refers to is no more than that which is conventionally provided by travel agents and carriers to individual purchasers of tickets.

The claimed invention, in contrast, relates two buyers based on redemption. The claimed invention is directed to a product sales system and method in which a product management system is connected to access a product database and a purchaser database and communicates with one or more terminals. The product sales system accepts from one the terminals a purchase request for a product. This purchase request includes information provided by a purchase applicant of conditions for redemption of a requested product. The product sales system transmits the purchase request to the product management system and, based on a received purchase request, the product management system accesses the product database and examines available products to determine whether a product is available to meet requirements of the purchase request. When a product is available to meet requirements of the purchase request, the product management system issues the product in accordance with the purchase request of the purchase applicant and, after issuing the product, updates the product database and the purchaser database. The purchaser database includes a redemption permitting purchaser list and conditions of redemption. When, however, a product is not available to meet requirements of the purchase request, the product management system accesses and searches the

purchaser database to determine whether purchasers of like products are included in the redemption permitting purchaser list. When a purchaser who obtained a product that meets the requirements of the purchase request is found on the redemption permitting purchaser list, the product management system examines the conditions of redemption to determine whether a replacement product that satisfies the redemption conditions can be provided for the purchaser who agreed to permit product redemption. When a replacement product that satisfies the redemption conditions is found, the product management system redeems the product from a purchaser who agreed to permit product redemption and providing the purchaser a replacement product and, thereafter, issues the redeemed product to the purchase applicant. When the redeemed product is issued to the purchase applicant, the product database and the purchaser database are both updated by the product management system.

Redemption is the core part of the claimed invention. Redemption is quite different from cancellation, return and exchange of tickets. In the claimed invention, two buyers are related based on redemption. Specifically, a buyer who bought a ticket can register information on which condition(s) he or she is willing to have their purchased ticket redeemed. In this way, the buyer may get a reward when and if the ticket is redeemed. In this way, the buyer will be directly related to another buyer who wants the ticket.

The prior art cited but not relied upon has been reviewed; however, none of the cited prior art relates to the core concept of the claimed invention which is the relation of two buyers based on redemption.

In view of the foregoing, it is respectfully requested that the application be reconsidered, that claims 22 to 48 be allowed, and that the application be passed to issue.

Should the Examiner find the application to be other than in condition for allowance, the Examiner is requested to contact the undersigned at the local telephone number listed below to discuss any other changes deemed necessary in a telephonic or personal interview.

A provisional petition is hereby made for any extension of time necessary for the continued pendency during the life of this application. Please charge any fees for such provisional petition and any deficiencies in fees and credit any overpayment of fees to Attorney's Deposit Account No. 50-9510.

Respectfully submitted,

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